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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re: : Chapter 11
:
RANDALL'S ISLAND FAMILY GOLF : Case Nos. 00 B 41065 (SMB)
:
CENTERS, INC., et al., : through 00 B 41196 (SMB)
:
: (Jointly Administered)
Debtors. :
:
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ORDER AUTHORIZING THE DEBTORS-IN-POSSESSION TO
ASSUME AND ASSIGN CERTAIN LEASEHOLD INTERESTS

Upon the Motion filed with the Court on July 19,
2000 (the "Motion") of the above-captioned debtors and
debtors-in-possession (the "Debtors") for entry of orders
pursuant to sections 105, 363, 365 and 1146 of title 11 of the
United States Code (the "Bankruptcy Code") and Rules 2002,
6004, 6006 and 6007 of the Federal Rules of Bankruptcy
Procedure (the "Bankruptcy Rules") (I)(a) authorizing and
approving (i) sale of certain fee-owned properties (the "Owned
Properties"), (ii) assumption, sale and assignment of certain
leasehold interests (the "Leases," and together with the Owned

Properties, the "Properties") and (iii) sale of related personal property (the "Personal Property," and together with the Properties, the "Assets"), free and clear of liens, claims, encumbrances, and interests and exempt from any stamp, transfer, recording or similar tax, (b) approving certain sale procedures to be used in connection with such sales, (c) approving the form of sale and assignment agreements, (d) authorizing the payment of brokers' fees in connection with such sales, (II) in the event that properties remain unsold at the conclusion of the Omnibus Sale Hearing, authorizing and approving the abandonment of unsold fee-owned properties and the rejection of unsold leasehold interests, and (III) scheduling an expedited hearing to consider shortening the time for, fixing the date, time and place for, and approving the form and manner of notice of the hearing on such sales;

And it appearing that this Court has jurisdiction over the Motion pursuant to 28 U.S.C. § 1334 and that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2);

And hearings having been held on July 31 and August 14, 2000 (the "Sale Hearings") to consider the proposed sale of the Assets (including the sale to the Purchaser (as defined below) of the right to designate the assignee of the Leases (the "Lease Rights")) pursuant to the terms and conditions of

that certain Agreement of Sale dated as of August 1, 2000, as amended (the "Sale Agreement"), among certain of the Debtors and Klak Golf, LLC (the "Purchaser") subject to higher and better offers;

And the Court having approved the Sale Agreement by Order dated September 7, 2000 (the "Sale Order");

And the Court having determined to defer consideration of the assumption and assignment of the Leases until after the Purchaser has exercised the Lease Rights;

And the Purchaser having exercised the Lease Rights in accordance with the Sale Agreement and designated 13 of the Leases (the "Designated Leases") to be assumed and assigned to the designated assignees, each a wholly-owned entity of the Purchaser;

And the Debtors having provided, in accordance with the Sale Order, good and sufficient notice of the hearing to consider the Debtors' proposed assumption and assignment of the Designated Leases (the "Assignment Hearing") and the outstanding obligations under the Designated Leases proposed to be cured by the Debtors in connection with the assignment of such leases to (i) the Office of the United States Trustee, (ii) Berlack, Israels & Liberman, LLP, counsel to the Official Committee of Unsecured Creditors, (iii) Morgan, Lewis &

Bockius LLP, counsel to The Chase Manhattan Bank, as Agent and
(iv) the landlord for each of the Designated Leases;

And it appearing that no other or further notice of
the Assignment Hearing need be given;

And the Purchaser and the Debtors having determined
and agreed that three of the Designated Leases should not be
assigned but instead should be rejected;

And the Assignment Hearing having been held before
this Court on November 9, 2000;

And the Court having determined to approve the
assumption and assignment of eight of the Designated Leases
(the "Klak Assigned Leases") to the assignees (the
"Assignees") as set forth on Exhibit A and to defer
determination as to the two remaining Designated Leases;

NOW, THEREFORE, the Court hereby finds as follows:

A. The assumption and assignment of the Klak
Assigned Leases as set forth on Exhibit A attached hereto is
in the best interests of the Debtors, their creditors and
their estates;

B. A reasonable opportunity to object or be heard
regarding the assumption and assignment of the Klak Assigned
Leases, including with respect to issues such as curing of
defaults and adequate assurance of future performance, has
been afforded to all interested persons and entities;

C. The amounts set forth on Exhibit A (the "Cure Amounts") are the only amounts required to be satisfied by the Debtors with respect to the Klak Assigned Leases;

D. The Assignees have provided adequate assurance of future performance under the Klak Assigned Leases in accordance with sections 365(b)(1) and 365(f)(2)(B) of the Bankruptcy Code;

ACCORDINGLY, after due deliberation, and sufficient cause appearing therefore, it is hereby

ORDERED that pursuant to section 365 of the Bankruptcy Code, the Debtors be, and they hereby are, authorized to assume the Klak Assigned Leases; and it is further

ORDERED that, pursuant to section 365 of the Bankruptcy Code, the Debtors be, and they hereby are, authorized to assign the Klak Assigned Leases to the Assignees pursuant to the terms of the Sale Agreement; and it is further

ORDERED that, pursuant to section 365 of the Bankruptcy Code, the Debtors be, and they hereby are, directed to pay the Cure Amounts from the proceeds under the Sale Agreement within ten (10) days from the effective date of the assignment; and it is further

ORDERED that, upon the assumption and assignment of any Klak Assigned Lease and the payment of any Cure Amounts,

the Debtors shall have all the benefits and protections of section 365(k) of the Bankruptcy Code; and it is further

ORDERED that, upon the assumption and assignment of any Klak Assigned Lease, the Debtors shall be released from all liability to the landlords for each Klak Assigned Lease with respect to any and all pre-petition and/or post-petition claims relating to each Klak Assigned Lease; and it is further

ORDERED that any objections to the assumption and assignment of the Klak Assigned Leases that have not been withdrawn, waived or settled, and all reservations of rights included therein, are overruled on the merits; and it is further

ORDERED that upon entry of this Order, this Order shall be binding upon all parties to the Klak Assigned Leases and the Sale Agreement.

Dated: New York, New York
December 4, 2000

/s/ STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE

350599

Exhibit A

	<u>Lease</u>	<u>Assignee</u>	<u>Cure Amount</u>
1.	Lease between Rudolph F. Kastlunger and John A. Kastlunger (collective owner) and George Merziotis dated December 16, 1992, as amended, for the property located at 530 Hollister Street in San Diego, California.	Klak Golf Prime, LLC	Prepetition Rent - \$233.68 2000 Real Estate Taxes - \$1,622.91 ¹ <hr/> TOTAL CURE AMOUNT - \$1,856.59
2.	Lease between PJ Venture and CJE Equity Management Associates, Ltd. dated April 8, 1994, as amended, for the property located at 4 Henry Street, Commack, New York.	Klak Commack, LLC	Prepetition Rent - \$4,032.26 2000 Real Estate Taxes - \$27,967.11 Prepetition CAM charges - \$2,514.98 New Drainage System - \$4,411.86 Common Area Maintenance - \$5,085.85 <hr/> TOTAL CURE AMOUNT - \$44,012.06
3.	Lease between San Antonio River Authority and Eagle Quest Golf Centers, Inc. dated December 30, 1992 as amended, for the property located at Panther Springs Golf Center, 16900 Blanco Rd., San Antonio, Texas.	Klak Golf Prime, LP	1999 Real Estate Taxes - \$6,028.37 1999 Personal Prop. Tax - \$1,711.09 <hr/> TOTAL CURE AMOUNT - \$7,739.46

¹ This amount reflects that the Debtors and the Assignee are prorating the taxes relating to calendar year 2000 pursuant to the Sale Agreement. The Debtors will pay all real estate taxes which accrued on or before October 5, 2000 and Assignee will pay all real estate taxes which accrued on or after October 6, 2000.

	<u>Lease</u>	<u>Assignee</u>	<u>Cure Amount</u>
4.	Lease between the City of Tempe and Michael Morley, dated February 11, 1988, and Memorandum of Commencement Date, dated February 12, 1991, for the property located at 1490 E. Webber Drive, Tempe, Arizona.	Klak Golf Prime, LLC	Prepetition Rent - \$7,472.67 <hr/> TOTAL CURE AMOUNT - 7,472.67
5.	Lease between the Greenville Airport Commission and Air Three Company, LLC dated June 1, 1997, for the property located at 61 Villa Road, Greenville, South Carolina.	Klak Golf Prime, LLC	Prepetition Rent - \$1,086.97 <hr/> TOTAL CURE AMOUNT - \$1,086.97
6.	Lease between Irvin Deggeller and Evelyn Deggeller, and Blue Eagle of Florida, Inc. dated July 26, 1997, for the property located at 6801 S.E. Kanner Highway, Stuart, Florida.	Klak Golf Prime, LLC	Prepetition Rent - \$806.45 1999 Real Estate Taxes - \$37,062.89 2000 Real Estate Taxes - \$32,152.81 ² <hr/> TOTAL CURE AMOUNT - \$70,022.15
7.	Lease between Sunset Golf Center, Inc. and Golden Bear Golf Centers, Inc. dated January 1, 1997, for the property located at 16251 SW Jenkins Road,	Klak Golf Prime, LLC	Prepetition Rent - \$1,814.52 1999/2000 Real Estate Taxes - \$12,058.49 1999/2000 Personal Prop. Tax - \$6,485.98 <hr/> TOTAL CURE AMOUNT - \$20,358.99

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This amount reflects that the Debtors and the Assignee are prorating the taxes relating to calendar year 2000 pursuant to the Sale Agreement. The Debtors will pay all real estate taxes which accrued on or before October 5, 2000 and Assignee will pay all real estate taxes which accrued on or after October 6, 2000.

	<u>Lease</u>	<u>Assignee</u>	<u>Cure Amount</u>
	Beaverton, Oregon.		